



Whitewater CDA –Board of Directors
Thursday October 26, 2017
5:30 PM
Room 105
Innovation Center
1221 Innovation Drive
Whitewater, WI 53190

1. Call to order and roll call.
2. **HEARING OF CITIZEN COMMENTS.** *No formal CDA Action will be taken during this meeting although issues raised may become a part of a future agenda. Items on the agenda may not be discussed at this time.*
3. Approval of agenda
4. Approval of Minutes
 - A. September 26, 2017
 - B. October 17, 2017
5. Acceptance of Financial Statements
 - A. September 2017
 - B. Fund Balances
 - C. Loan Portfolio

Old Business:

6. Discussion and possible action to set a date for a Business Climate Forum.
7. Discussion and possible action regarding CDA 2018 Budget recommendation to Common Council.

New Business:

8. Presentation on progress of Whitewater Grocery Co. Coop proposal. Appearance: Lacey Reichwald.
9. Presentation from our regional economic development partners. Appearance: Victoria Pratt, Jefferson County Economic Development Consortium (JCEDC) and Derek D'Auria, Walworth County Economic Development Alliance (WCEDA).
10. Discussion and possible action on resolution naming Brennan Steil, S.C. of Janesville as Legal Counsel for the Whitewater CDA. Appearance: Attorney Will Springer.
11. Establishing CDA Goals for 2018
12. Discussion and possible action authorizing drafting of a Memorandum of Understanding between the City of Whitewater and the CDA on repayment of a \$750,000 loan to TID #4 for construction of the Innovation Center at the Whitewater University Technology Park.

13. CDA Director Updates on Development Activities and Issues

14. Adjourn to closed session per Wisconsin State Statutes 19.85(1)(e) “Deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business , whenever competitive or bargaining reasons require a closed session c) Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility.”.

A. Update on negotiations with potential retail, manufacturing and other businesses that are considering locating in the City of Whitewater and are requesting City of Whitewater related financial assistance or concessions.

15. Reconvene into open session to take action on closed session items as needed.

16. Future agenda referrals.

17. Adjourn.

It is possible that a quorum of Common Council and Technology Park Board members may attend this meeting.

Even if a quorum is present, no Common Council and/or Technology Park Board business will be conducted at this meeting.

Anyone requiring special arrangements is asked to call the office of the City Manager/ City Clerk at least 24 hours prior to the meeting.

**Whitewater Community Development Authority
Meeting Minutes
September 26, 2017**

1. Call to order and roll call.

The meeting was called to order by CDA Chair Larry Kachel at 5:40 pm. The meeting was held at the Cravath Lake Room at City Hall. .

Present: Kachel, Singer, Parker and Henry

Absent: Stanek, Allen and Meyer

Staff Present: Dave Carlson (CDA Executive Director)

2. HEARING OF CITIZEN COMMENTS.

- No one from the public wished to comment

3. Approval of agenda

Motion to approve agenda

Henry (1); Singer (2)

Aye: All via voice vote (4)

Nay: None

4. Approval of Minutes

A. August 24, 2017

Motion to approve minutes

Singer (1); Parker (2)

Aye: All via voice vote (4)

Nay: None

5. Acceptance of Financial Statements

A. August, 2017

B. Fund Balances

C. Loan Portfolio

Motion to approve Financial Statements

Singer (1); Henry (2)

Aye: All via voice vote (4)

Nay: None

Old Business:

- 6. Discussion and possible action regarding Employment Self-certification policy on RLF.** Carlson presented the new policy which was drafted by CDA with guidance from the State Department of Administration (DOA). DOA has given its approval to the policy which was included in the CDA packet for this meeting.

Motion to accept the new Employment Self-certification policy for the RLF program and add it to the existing RLF Policy Manual.

Singer (1); Parker (2)

Aye: All via voice vote (4)

Nay: None

New Business:

7. **Discussion and possible action on request for a Façade Loan from Randall Aschbrenner for improvements to the Landmark Building at 204 W. Main St, Whitewater.** Mr. Aschbrenner appeared in support of his request and explained that the building needs a new roof and all new windows. He stated that he is planning to replace the existing roof and all exterior windows, install new siding on all gable and wood siding areas and do stone repair and brick tuck pointing on the building as needed. He is requesting a Façade loan of \$140,000.

Motion to amend the Façade Loan Policy Manual to allow a loan of up to \$25,000 for each qualifying building and to grant a Façade Loan to Randall Aschbrenner in the amount of \$25,000 at 4.0% interest for a term of seven (7) years for use on exterior improvements to the Landmark Building at 204 W. Main St, Whitewater.
Singer (1); Parker (2)

Aye: All via voice vote (4)

Nay: None

8. **Discussion and Possible action regarding CDA 2018 Budget Recommendation to the Common Council.** Carlson reviewed his proposed 2018 CDA budget request, noting that the proposed \$188,000 budget adds a part time Economic Development specialist and still reflects a \$12,000 reduction in spending compared to the adopted 2017 CDA budget. Carlson mentioned that the travel and membership lines reflect increases associated with his planned travel to the International Economic Development Council next year to take the Certified Economic Developer (CEcD) exam. No action was taken regarding the proposed budget which will now move on to review by the City Finance Committee.
9. **Adjourn to closed session per Wisconsin State Statutes 19.85(1)(e) "Deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session c) Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility."**

A. **Update on negotiations with potential retail, manufacturing and other businesses that are considering locating in the City of Whitewater and are requesting City of Whitewater related financial assistance or concessions.**

B. **Review responses to legal services RFP.**

Motion to adjourn to closed session

Kachel (1); Singer (2)

Aye: Henry, Kachel, Singer, and Parker (roll call)

Nay: None

6. **Reconvene into open session to take action on closed session items as needed.**

Motion to reconvene is open session

Singer (1); Parker (2)

Aye: All via voice vote (4)

Nay: None

No action items

7. **Future agenda referrals.**

Parker requested that Carlson work with City staff to create maps which show traffic counts and land available for development, to be included in information packets which are shared with business prospects.

8. Adjourn.

Motion was made to adjourn the meeting at 7:05 p.m. in honor of Mitch Simon.

Parker (1); Singer (2)

Aye: All via voice vote (6)

Nay: None

Minutes approved:

Dave Carlson-CDA Director

Larry Kachel-CDA Chair

Date: _____

DRAFT

Whitewater Community Development Authority
Meeting Minutes
October 17, 2017

1. Call to order and roll call.

The meeting was called to order by CDA Chair Larry Kachel at 5:30 pm. The meeting was held at the Cravath Lake Room at City Hall.

Present: Allen, Singer, Kachel, Henry, Parker and Stanek (6:00 p.m.)

Absent: Meyer

Staff Present: Dave Carlson (CDA Executive Director), Cameron Clapper (City Manager) And Steve Hatton (Finance Director)

2. HEARING OF CITIZEN COMMENTS.

- No one from the public wished to comment

3. Approval of agenda

Motion to approve agenda

Allen (1); Singer (2)

Aye: All via voice vote (5)

Nay: None

New Business:

- 4. Discussion and Possible action regarding CDA 2018 Budget Recommendation to the Common Council.** Carlson noted that the CDA budget had been revised by City Staff prior to it being considered by the City Finance Committee which is scheduled to take up our request on October 19th. Carlson noted that the amount proposed for hiring a part time Economic Development Specialist has been reduced to \$25,000 from \$31,000 by mutual agreement of the CDA Director, the City Manager and Finance Director. Carlson further noted that the Finance Director and City Manager are proposing "sweeping" all or part of the estimated year end CDA Fund 900 Fund Balance of \$165,000 into the CDA general fund to plug budget holes. Finance Director Steve Hatton noted departments are generally not able to carry forward operating fund balances unless there is a designated purpose. Carlson noted that over the past four years, City funds have comprised between 42% and 47 % of the CDA Budget, with the remainder coming from TID funding. Carlson suggested that the CDA propose keeping a portion of the fund balance in Fund 900 for a "contingency" and sharing the balance equally with the City with the CDA retained portion being transferred to Fund 910 for use in economic development assistance programs:

Motion to propose keeping \$25,000 of Fund 900 Fund Balance in contingency and split the remaining fund balance evenly with the City. The CDA retained portion of the remaining Fund Balance, in excess of \$25,000 would be transferred in 2018 to CDA Fund 910.

Aye: Allen, Singer, Kachel, Henry and Parker

Nay: None

Abstain: Stanek

Singer and Allen left the meeting at 6:30 p.m.

6. Adjourn.

Motion was made to adjourn the meeting at 6:45 p.m.

Parker (1); Stanek (2)

Aye: All via voice vote (4)
Nay: None

Minutes approved:

Dave Carlson-CDA Director

Larry Kachel-CDA Chair

Date: _____

DRAFT

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2017

CDA FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
MISCELLANEOUS REVENUE					
900-48100-56 INTEREST INCOME	14.23	90.29	75.00	(15.29)	120.4
TOTAL MISCELLANEOUS REVENUE	14.23	90.29	75.00	(15.29)	120.4
OTHER FINANCING SOURCES					
900-49262-56 TRANSFER-TID #4-ADMINISTRATION	.00	75,000.00	75,000.00	.00	100.0
900-49263-56 TRANSFER-TID #6-ADMINISTRATION	.00	25,000.00	25,000.00	.00	100.0
900-49290-56 CITY TRANSFER INCOME	.00	.00	90,000.00	90,000.00	.0
900-49300-56 FUND BALANCE APPLIED	.00	.00	10,000.00	10,000.00	.0
TOTAL OTHER FINANCING SOURCES	.00	100,000.00	200,000.00	100,000.00	50.0
TOTAL FUND REVENUE	14.23	100,090.29	200,075.00	99,984.71	50.0

**CITY OF WHITEWATER
BALANCE SHEET
SEPTEMBER 30, 2017**

CDA FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
900-11100 CASH	121,078.29	(10,237.94)	(14,681.11)	106,397.18
900-11200 GENERAL CHECKING-1ST-100-722	18,364.36	14.23	89.58	18,453.94
900-11300 INVESTMENTS	210.12	.00	.71	210.83
900-18400 OFFICE EQUIPMENT	6,990.00	.00	.00	6,990.00
900-19000 NET PENSION ASSETS-CDA	(1,825.42)	.00	.00	(1,825.42)
900-19020 DEF OUTFLOW-EXP/ACT-EXP-CDA	308.81	.00	.00	308.81
900-19030 DOR-CHANGES IN ASSUMPTIONS	1,277.15	.00	.00	1,277.15
900-19040 DEF OUTFLOW-EXP/ACT-INC-CDA	7,473.80	.00	.00	7,473.80
900-19060 DEF OUTFLOW-CHANGE-CDA	91.48	.00	.00	91.48
900-19120 CONTRIB AFTER MEASURE DATE-CDA	1,071.46	.00	.00	1,071.46
900-19999 PENSION CLEARING ACCT-CDA	2,872.50	.00	.00	2,872.50
TOTAL ASSETS	157,912.55	(10,223.71)	(14,590.82)	143,321.73
<u>LIABILITIES AND EQUITY</u>				
<u>LIABILITIES</u>				
900-21100 VOUCHERS PAYABLE	11,949.13	.00	(11,949.13)	.00
900-22000 ACCUM DEPR - EQUIPMENT	6,154.95	.00	.00	6,154.95
900-29010 DIR-DIFF BETWEEN EXP & ACT EXP	3,841.57	.00	.00	3,841.57
TOTAL LIABILITIES	21,945.65	.00	(11,949.13)	9,996.52
<u>FUND EQUITY</u>				
900-34300 PROPRIETARY CAPITAL	135,966.90	.00	.00	135,966.90
UNAPPROPRIATED FUND BALANCE:				
900-29010 DIR-DIFF BETWEEN EXP & ACT EXP	3,841.57	.00	.00	3,841.57
REVENUE OVER EXPENDITURES - YTD	.00	(10,223.71)	(2,641.69)	(2,641.69)
BALANCE - CURRENT DATE	3,841.57	(10,223.71)	(2,641.69)	1,199.88
TOTAL FUND EQUITY	139,808.47	(10,223.71)	(2,641.69)	137,166.78
TOTAL LIABILITIES AND EQUITY	161,754.12	(10,223.71)	(14,590.82)	147,163.30

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2017

CDA PROGRAMS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>CDGB LOAN REVENUE</u>					
910-41008-00 CDBG INT-SWEETSPOT-\$41,360	58.21	664.56	.00 (	664.56)	.0
910-41013-00 CDBG INT-LEARNING DEPOT	207.49	731.95	.00 (	731.95)	.0
910-41019-00 CDBG INT-960 E. MILWAUKEE LLC	.00	2,015.32	.00 (	2,015.32)	.0
910-41021-00 CDBG INT-BLACK SHEEP-1/20/12	.00	23.04	.00 (	23.04)	.0
910-41023-00 CDBG INT-BIKEWISE-\$62,600-4%	123.28	1,170.12	.00 (	1,170.12)	.0
910-41024-00 CDBG INT-IBUTTONLINK	202.94	1,968.74	.00 (	1,968.74)	.0
910-41025-00 CDBG INT-V2 LEAGUE-\$51,560	.00	1,450.16	.00 (	1,450.16)	.0
910-41029-00 CDBG INT-THERMODATA-100K	.00	1,952.93	.00 (	1,952.93)	.0
910-41030-00 CDBG INT-MEEPER \$102,510	.00	3,500.00	.00 (	3,500.00)	.0
TOTAL CDGB LOAN REVENUE	591.92	13,476.82	.00 (	13,476.82)	.0
<u>UDAG LOAN REVENUE</u>					
910-45000-00 UDAG INT-PINPOINT-\$102,510	.00	86.64	.00 (	86.64)	.0
TOTAL UDAG LOAN REVENUE	.00	86.64	.00 (	86.64)	.0
<u>MISCELLANEOUS REVENUE</u>					
910-48101-00 INTEREST INC-BUS DEV-101 127	159.37	988.69	.00 (	988.69)	.0
910-48102-00 INTEREST INC-ECON DEV 101 020	255.72	1,465.60	.00 (	1,465.60)	.0
910-48103-00 INTEREST INCOME-FACADE	58.58	601.68	.00 (	601.68)	.0
910-48104-00 INTEREST INCOME-HOUSING	4.05	89.08	.00 (	89.08)	.0
910-48105-00 INTEREST INC-ED DEV 102 023	11.54	72.70	.00 (	72.70)	.0
910-48106-00 INT INC-MORaine VIEW 101 282	2.10	13.24	.00 (	13.24)	.0
910-48108-00 INTEREST INCOME-SEED FUND	22.99	239.28	.00 (	239.28)	.0
910-48502-00 CAPCAT-WEDA GRANT	.00	75,000.00	.00 (	75,000.00)	.0
910-48680-00 ADMINISTRATION FEE-LOANS	.00	3,500.00	.00 (	3,500.00)	.0
TOTAL MISCELLANEOUS REVENUE	514.33	81,970.25	.00 (	81,970.25)	.0
TOTAL FUND REVENUE	1,106.25	95,533.71	.00 (	95,533.71)	.0

**CITY OF WHITEWATER
BALANCE SHEET
SEPTEMBER 30, 2017**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
ASSETS				
910-11104 PROGRAM ADMIN CK-1ST-102-023	14,902.26	11.54	72.70	14,974.96
910-11106 MORAIN VIEW DEV-1ST-101-282	2,713.99	2.10	13.24	2,727.23
910-11500 CDBG-ECON DEV CHK-1ST-101-020	251,898.48	3,632.53	80,932.55	332,831.03
910-11600 CDBG-HOUSING CHK-COMM-131-553	28,528.75	4.05	(17,252.61)	11,276.14
910-11700 FACADE-CHKING-COMM-128-055	144,981.48	58.56	601.68	145,583.16
910-11701 FACADE-CD	25,000.00	.00	.00	25,000.00
910-11800 UDAG-BUS DEV-BUS PARK-101-127	137,512.06	159.37	69,221.31	206,733.37
910-11900 CAP CAT-ASSOC BK 2173383734	.00	22.99	65,067.93	65,067.93
910-13002 CDBG LOAN-THERMODATA-\$100K	86,245.70	.00	(5,974.15)	80,271.55
910-13009 CDBG LOAN-LEARNING DEPOT	67,307.84	(490.56)	(5,550.50)	61,757.34
910-13012 CDBG LOAN-SWEETSPOT-WEST-41360	23,565.58	(585.11)	(5,768.64)	17,796.94
910-13013 CDBG LOAN-IBUTTONLINK	70,330.46	(1,198.71)	(10,646.11)	59,684.35
910-13018 CDBG LOAN-960 E MILWAUKEE LLC	94,166.37	.00	(10,701.77)	83,464.60
910-13019 CDBG LOAN-BLACK SHEEP-21,114	6,912.63	.00	(6,912.63)	.00
910-13021 CDBG LOAN-BIKEWISE-\$62,600	41,006.33	(510.51)	(4,533.99)	36,472.34
910-13022 CDBG LOAN-EDVIEWRATE-\$102,510	102,510.00	.00	.00	102,510.00
910-13024 CDBG LOAN-MEEPER TECH-\$102,510	102,510.00	.00	.00	102,510.00
910-13025 CDBG LOAN-MOBILE MESH-\$102,510	102,510.00	.00	.00	102,510.00
910-13026 CDBG LOAN-SOLOMO-\$102,510	102,510.00	.00	.00	102,510.00
910-13028 CDBG LOAN-V2 LEAGUE-\$51,560	49,962.42	.00	(3,673.27)	46,289.15
910-13029 CDBG LOAN-MOBILE MESH-\$21,710	21,710.00	.00	.00	21,710.00
910-13030 CDBG LOAN-MEEPER-\$82,310	82,310.00	.00	.00	82,310.00
910-13032 CDBG LOAN-JCIB-\$87,894	87,305.85	.00	.00	87,305.85
910-14000 CDBG HOUSING-MO301	8,220.00	.00	.00	8,220.00
910-14001 CDBG HOUSING-A8416	10,203.84	.00	.00	10,203.84
910-14003 CDBG HOUSING-B935	18,420.02	.00	.00	18,420.02
910-14006 CDBG HOUSING-C932	8,062.00	.00	.00	8,062.00
910-14009 CDBG HOUSING-J8802	10,818.00	.00	.00	10,818.00
910-14011 CDBG HOUSING-M8501	11,000.90	.00	.00	11,000.90
910-14013 CDBG HOUSING-P954	11,000.00	.00	.00	11,000.00
910-14016 CDBG HOUSING-V902	12,504.15	.00	.00	12,504.15
910-14018 CDBG HOUSING-C021	15,517.48	.00	(15,517.48)	.00
910-14025 CDBG HOUSING-M0801	18,422.00	.00	.00	18,422.00
910-14026 CDBG HOUSING-B0803-0901	34,448.00	.00	.00	34,448.00
910-14027 CDBG HOUSING-HO #1-2012	12,630.00	.00	.00	12,630.00
910-14030 CDBG HOUSING-HO#13-2018	8,000.00	.00	.00	8,000.00
910-14031 CDBG HOUSING-HO#4	37,795.00	.00	.00	37,795.00
910-14033 CDBG HOUSING-HO#7	25,530.00	.00	.00	25,530.00
910-14037 CDBG HOUSING-HO#11	14,671.00	.00	.00	14,671.00
910-14038 CDBG HOUSING-HO#14	.00	.00	18,000.00	18,000.00
910-15000 CAP CAT-SLIPSTREAM-\$102,500	102,500.00	.00	.00	102,500.00
910-15001 CAP CAT-ROYALTY-DP ELECT-50K	51,500.00	.00	.00	51,500.00
910-15002 CAP CAT-ROYALTY-BOMBOARD-100K	104,300.00	.00	.00	104,300.00
910-15003 CAP CAT-SLIPSTREAM-\$42,000	42,000.00	.00	.00	42,000.00
910-15004 CAP CAT-MEEPER TECH-\$102,000	102,000.00	.00	.00	102,000.00
910-15005 CAP CAT-SOLOMO-\$102,000	102,000.00	.00	.00	102,000.00
910-15006 CAP CAT- ROYAL-INVENT-27.5K	27,500.00	.00	.00	27,500.00
910-15007 CAP CAT-ROYAL-MOBILE MESH-102K	102,000.00	.00	.00	102,000.00
910-15010 CAP CAT-ROYAL-KALIBER-\$102,500	102,500.00	.00	.00	102,500.00
910-15011 CAP CAT-ROYAL-SCANALYTICS-95K	97,500.00	.00	.00	97,500.00
910-15012 CAP CAT-ROYAL-INVENTALATOR-75K	77,500.00	.00	.00	77,500.00
910-15013 CAP CAT-ROYALTY-POLCO	100,000.00	.00	3,500.00	103,500.00
910-15014 CAP CAT-V2 LEAGUE-\$102,000	102,000.00	.00	.00	102,000.00
910-15015 CAP CAT-BLUELINE BATT-\$15,000	.00	.00	15,000.00	15,000.00
910-17000 UDAG-DP EL RECYCLE-34,600	34,600.00	.00	.00	34,600.00

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2017

CDA PROGRAMS FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>
<u>CDA PROGRAMS</u>					
910-56500-295 ADMINISTRATIVE EXPENSE	.00	.50	.00	(.50)	.0
910-56500-404 HOUSING LOANS	.00	30.00	.00	(30.00)	.0
910-56500-450 CAPITAL CATALYST-SEED FD GRTS	.00	10,000.00	.00	(10,000.00)	.0
910-56500-525 UDAG GRANTS-BUSINESS DEV	.00	10,000.00	.00	(10,000.00)	.0
 TOTAL CDA PROGRAMS	 .00	 20,030.50	 .00	 (20,030.50)	 .0
 TOTAL FUND EXPENDITURES	 .00	 20,030.50	 .00	 (20,030.50)	 .0
 NET REVENUE OVER EXPENDITURES	 1,106.25	 75,503.21	 .00	 (75,503.21)	 .0

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2017

CDA FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>
<u>CDA</u>					
900-56500-111 SALARIES	5,437.04	24,266.68	45,000.00	20,733.32	53.9
900-56500-151 FRINGE BENEFITS	770.88	3,459.19	13,500.00	10,040.81	25.6
900-56500-210 PROFESSIONAL DEVELOPMENT	195.00	1,100.00	3,500.00	2,400.00	31.4
900-56500-211 CONSULTANT FEES	3,500.00	37,802.50	90,000.00	52,197.50	42.0
900-56500-212 LEGAL SERVICES	.00	4,144.43	7,000.00	2,855.57	59.2
900-56500-215 PROFESSIONAL SERVICES	.00	1,669.50	.00	(1,669.50)	.0
900-56500-219 AUDIT FEES	.00	.00	3,000.00	3,000.00	.0
900-56500-223 MARKETING	.00	12,503.01	25,000.00	12,496.99	50.0
900-56500-224 COUNTY/REGIONAL ECON DEV	4,413.00	8,957.00	10,000.00	1,043.00	89.6
900-56500-225 MOBILE COMMUNICATIONS	27.76	110.53	.00	(110.53)	.0
900-56500-310 OFFICE SUPPLIES	21.76	560.14	1,500.00	939.86	37.3
900-56500-311 POSTAGE	5.52	252.14	400.00	147.86	63.0
900-56500-320 DUES	(4,413.00)	.00	325.00	325.00	.0
900-56500-323 MARKETING	.00	5,000.00	.00	(5,000.00)	.0
900-56500-330 TRAVEL EXPENSE	280.00	2,146.51	750.00	(1,398.51)	286.2
900-56500-341 MISC EXPENSE	.00	760.35	100.00	(660.35)	760.4
TOTAL CDA	10,237.94	102,731.98	200,075.00	97,343.02	51.4
TOTAL FUND EXPENDITURES	10,237.94	102,731.98	200,075.00	97,343.02	51.4
NET REVENUE OVER EXPENDITURES	(10,223.71)	(2,641.69)	.00	2,641.69	.0

**CITY OF WHITEWATER
BALANCE SHEET
SEPTEMBER 30, 2017**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
910-17001 UDAG-PINPOINT-\$102,510	90,375.05	.00	(90,375.05)	.00
910-17002 UDAG-SLIPSTREAM-LOC	12,500.00	.00	.00	12,500.00
910-18000 ADVANCE TO TID #4	750,000.00	.00	.00	750,000.00
910-18350 LAND	275,171.53	.00	.00	275,171.53
910-18360 REAL ESTATE	6,087,994.00	.00	.00	6,087,994.00
TOTAL ASSETS	10,267,583.17	1,106.25	75,503.21	10,343,086.38
LIABILITIES AND EQUITY				
LIABILITIES				
910-22000 ACCUM DEPREC-BUILDING	609,557.47	.00	.00	609,557.47
TOTAL LIABILITIES	609,557.47	.00	.00	609,557.47
FUND EQUITY				
910-30110 CONTRIBUTED CAPITAL	456,815.37	.00	.00	456,815.37
910-34300 PROPRIETARY CAPITAL	8,564,245.40	.00	.00	8,564,245.40
910-35000 HOUSING LOANS RESERVE	174,316.71	.00	.00	174,316.71
910-35100 ECONOMIC DEV LOANS RESERVE	433,615.17	.00	.00	433,615.17
910-35160 FACADE LOANS RESERVE	29,033.05	.00	.00	29,033.05
UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	.00	1,106.25	75,503.21	75,503.21
BALANCE - CURRENT DATE	.00	1,106.25	75,503.21	75,503.21
TOTAL FUND EQUITY	9,658,025.70	1,106.25	75,503.21	9,733,528.91
TOTAL LIABILITIES AND EQUITY	10,267,583.17	1,106.25	75,503.21	10,343,086.38

ECONOMIC DEV-101-020-CRGG		ORIGINAL	08/31/2017			08/30/2017	08/30/2017		NOTES
ACCT #	CLIENT	LOAN	BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE	GL Balance	DIFFERENCE
910-13002	Thermodata-New-April 22,2014	\$102,567.50	\$80,271.55			\$0.00	\$80,271.55	\$80,271.55	\$0.00
910-13009	Walenton/Leaming Depot	\$101,925.00	\$62,247.90	\$490.56	\$207.49	\$698.05	\$61,757.34	\$61,757.34	\$0.00
910-13012	Sweetspot-7-28-13-NEW	\$41,360.00	\$19,382.05	\$585.11	\$58.21	\$643.32	\$17,796.94	\$17,796.94	\$0.00
910-13013	IButton-12/4/2013-new	\$102,544.00	\$60,883.06	\$1,198.71	\$202.94	\$1,401.65	\$59,684.35	\$59,684.35	\$0.00
910-13018	960 East Milwaukee	\$204,611.00	\$83,464.60			\$0.00	\$83,464.60	\$83,464.60	\$0.00
910-13019	Black Sheep-1/20/2012	\$21,114.00	\$0.00			\$0.00	\$0.00	\$0.00	Loan paid in Full-February 2017
910-13021	Bikewise-12/27/2012	\$62,600.00	\$36,982.85	\$510.51	\$123.28	\$633.79	\$36,472.34	\$36,472.34	\$0.00
910-13022	Edviewrate-9/8/2014	\$102,510.00	\$102,510.00			\$0.00	\$102,510.00	\$102,510.00	\$0.00
910-13024	Meeper Tech-2/12/2015	\$102,510.00	\$102,510.00			\$0.00	\$102,510.00	\$102,510.00	\$0.00
910-13025	Mobile Mesh-2/12/2015	\$102,510.00	\$102,510.00			\$0.00	\$102,510.00	\$102,510.00	\$0.00
910-13026	SoloMo-1/30/2015	\$102,510.00	\$102,510.00			\$0.00	\$102,510.00	\$102,510.00	\$0.00
910-13028	V2 League-July 1, 2015	\$51,560.00	\$46,289.15			\$0.00	\$46,289.15	\$46,289.15	\$0.00
910-13029	Mobile Mesh-4/26/2016-New	\$21,710.00	\$21,710.00			\$0.00	\$21,710.00	\$21,710.00	\$0.00
910-13030	Meeper-4/26/2016-New	\$82,310.00	\$82,310.00			\$0.00	\$82,310.00	\$82,310.00	\$0.00
910-13032	JCIB-New-12/12/2014	\$87,984.00	\$87,305.85			\$0.00	\$87,305.85	\$87,305.85	\$0.00
TOTALS		\$1,290,326.50	\$889,887.01	\$2,784.89	\$691.92	\$3,376.81	\$987,102.12	\$987,102.12	\$0.00

UDAC-BUSINESS DEV-101-127		ORIGINAL	08/31/2017			08/30/2017	08/30/2017		NOTES
ACCT #	CLIENT	LOAN	BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE	GL Balance	DIFFERENCE
910-14393	Pinpoint Software	\$102,510.00	\$0.00			\$0.00	\$0.00	\$0.00	Loan paid in Full-February 2017
910-17000	DP Electronic Recycling-3/27/13	\$34,600.00	\$34,600.00			\$0.00	\$34,600.00	\$34,600.00	\$0.00
910-17002	Slipstream-LOC-32K-May 2015	\$12,500.00	\$12,500.00			\$0.00	\$12,500.00	\$12,500.00	\$0.00
TOTALS		\$149,610.00	\$47,100.00	\$0.00	\$0.00	\$0.00	\$47,100.00	\$47,100.00	\$0.00

CAPITAL CATALYST-455OC BANK		ORIGINAL	08/31/2017			08/30/2017	08/30/2017		NOTES
ACCT #	CLIENT	LOAN	BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE	GL Balance	DIFFERENCE
910-15000	CAP CAT-SLIPSTREAM-\$102,500	\$102,500.00	\$102,500.00			\$0.00	\$102,500.00	\$102,500.00	\$0.00
910-15001	CAP CAT-ROYALTY-OP ELECT-50K	\$51,500.00	\$51,500.00			\$0.00	\$51,500.00	\$51,500.00	\$0.00
910-15002	CAP CAT-ROYALTY-BOMBOARD-100K	\$104,300.00	\$104,300.00			\$0.00	\$104,300.00	\$104,300.00	\$0.00
910-15003	CAP CAT-SLIPSTREAM-\$42,000	\$42,000.00	\$42,000.00			\$0.00	\$42,000.00	\$42,000.00	\$0.00
910-15004	CAP CAT-MEEPER TECH-\$102,000	\$102,000.00	\$102,000.00			\$0.00	\$102,000.00	\$102,000.00	\$0.00
910-15005	CAP CAT-SOLOMO-\$102,000	\$102,000.00	\$102,000.00			\$0.00	\$102,000.00	\$102,000.00	\$0.00
910-15006	CAP CAT-ROYAL-INVENT-27.5K	\$27,500.00	\$27,500.00			\$0.00	\$27,500.00	\$27,500.00	\$0.00
910-15007	CAP CAT-ROYAL-MOBILE MESH-102K	\$102,000.00	\$102,000.00			\$0.00	\$102,000.00	\$102,000.00	\$0.00
910-15010	CAP CAT-ROYAL-KALIBER-\$102,500	\$102,500.00	\$102,500.00			\$0.00	\$102,500.00	\$102,500.00	\$0.00
910-15011	CAP CAT-ROYAL-SCANALYTICS-95K	\$97,500.00	\$97,500.00			\$0.00	\$97,500.00	\$97,500.00	\$0.00
910-15012	CAP CAT-ROYAL-INVENTALATOR-75K	\$77,500.00	\$77,500.00			\$0.00	\$77,500.00	\$77,500.00	\$0.00
910-15013	CAP CAT-ROYALTY-POLCO	\$30,000.00	\$103,500.00			\$0.00	\$103,500.00	\$103,500.00	\$0.00
910-15014	CAP CAT-V2 LEAGUE-\$102,000	\$102,000.00	\$102,000.00			\$0.00	\$102,000.00	\$102,000.00	\$0.00
910-15015	CAP CAT-BLUELINE BATT-\$15,000	\$15,000.00	\$15,000.00			\$0.00	\$15,000.00	\$15,000.00	\$0.00
TOTALS		\$1,058,300.00	\$1,131,800.00	\$0.00	\$0.00	\$0.00	\$1,131,800.00	\$1,131,800.00	\$0.00

ADVANCED IS TID #4		ORIGINAL	08/31/2017			08/30/2017	08/30/2017		NOTES
ACCT #	CLIENT	LOAN	BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE	GL Balance	DIFFERENCE
910-16000	TID #4	\$750,000.00	\$750,000.00			\$0.00	\$750,000.00	\$750,000.00	\$0.00
TOTALS		\$750,000.00	\$750,000.00	\$0.00	\$0.00	\$0.00	\$750,000.00	\$750,000.00	\$0.00

HOUSING		ORIGINAL	08/31/2017			08/30/2017	08/30/2017		NOTES
ACCT #	CLIENT	LOAN	BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE	GL Balance	DIFFERENCE
910-14000	M0301	\$8,220.00	\$8,220.00			\$0.00	\$8,220.00	\$8,220.00	\$0.00
910-14001	A8416	\$10,203.84	\$10,203.84			\$0.00	\$10,203.84	\$10,203.84	\$0.00
910-14003	B935	\$18,420.02	\$18,420.02			\$0.00	\$18,420.02	\$18,420.02	\$0.00
910-14000	C932	\$8,062.00	\$8,062.00			\$0.00	\$8,062.00	\$8,062.00	\$0.00
910-14009	J8802	\$10,818.00	\$10,818.00			\$0.00	\$10,818.00	\$10,818.00	\$0.00
910-14011	M8501	\$11,000.90	\$11,000.90			\$0.00	\$11,000.90	\$11,000.90	\$0.00
910-14013	P954	\$11,000.00	\$11,000.00			\$0.00	\$11,000.00	\$11,000.00	\$0.00
910-14015	V902	\$12,504.15	\$12,504.15			\$0.00	\$12,504.15	\$12,504.15	\$0.00
910-14018	C021	\$15,517.48	\$0.00			\$0.00	\$0.00	\$0.00	Loan paid in full-February 2017
910-14025	M0801	\$18,422.00	\$18,422.00			\$0.00	\$18,422.00	\$18,422.00	\$0.00
910-14029	B0803-0901	\$34,448.00	\$34,448.00			\$0.00	\$34,448.00	\$34,448.00	\$0.00
910-14027	HO #1	\$12,630.00	\$12,630.00			\$0.00	\$12,630.00	\$12,630.00	\$0.00
910-14030	HO # 13	\$8,000.00	\$8,000.00			\$0.00	\$8,000.00	\$8,000.00	\$0.00
910-14031	HO # 4	\$37,795.00	\$37,795.00			\$0.00	\$37,795.00	\$37,795.00	\$0.00
910-14033	HO # 7	\$25,530.00	\$25,530.00			\$0.00	\$25,530.00	\$25,530.00	\$0.00
910-14037	HO # 11	\$14,671.00	\$14,671.00			\$0.00	\$14,671.00	\$14,671.00	\$0.00
TOTALS		\$267,227.39	\$241,724.91	\$0.00	\$0.00	\$0.00	\$241,724.91	\$241,724.91	\$0.00

BRENNAN ■ STEIL S.C.

ATTORNEYS AT LAW

ONE EAST MILWAUKEE STREET
JANESVILLE, WI 53545-3029
PHONE: 608.756.4141
FAX: 608.756.9000

September 13, 2017

Dave Carlson, Executive Director
Whitewater Community Development Authority
312 W. Whitewater Street
Whitewater, WI 53190

RE: Proposal for Legal Services

Dear Mr. Carlson:

Brennan Steil S.C. ("Brenan Steil") is pleased to submit this proposal to provide legal services to the Whitewater Community Development Authority ("CDA"). Brennan Steil has been providing a full range of legal services throughout Wisconsin and Northern Illinois for nearly 140 years. Our attorneys have a strong history of providing services in the municipal law disciplines of land use, real estate and contracts, as well as state and local legislation and other related areas. Our office is located at One E. Milwaukee Street, Janesville, Wisconsin 53545. We offer the following information as specified in the "Proposal Requirements" section of the Request for Proposals sent to our firm.

A. Profile and History of Attorneys and Firm.

Brennan Steil currently employs twelve (12) attorneys, all based in the Janesville office. Six (6) of our attorneys devote a significant portion of their time in the area of real estate law. Seven (7) of our attorneys devote a significant portion of their time in the banking, general business and corporate law areas. Other attorneys with our firm practice primarily in estate planning and probate, family law, criminal law and general litigation. All of our attorneys are licensed to practice in Wisconsin and some are licensed to practice in Illinois.

Although all of our attorneys will be available to perform legal services for the CDA as the need arises, we anticipate that Brennan Steil's proposed team for performing legal services for the CDA will consist of Attorneys Michael E. Grubb and William F. Springer, both of whom are shareholders of the firm.

Michael Grubb has been a resident of Whitewater since 1978 when he accepted a position to teach Business Law in the Finance and Business Law Department at UW-Whitewater. In 1982, he joined Brennan Steil. Since that time, his law practice has been concentrated in the areas of real estate, general business, business transactions, banking and estate planning. Prior to

Dave Carlson, Executive Director
September 13, 2017
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1978, Mr. Grubb was employed by a CPA firm in Colorado and he received his CPA license shortly after moving to Whitewater.

Mr. Grubb has also previously served as a CDA Board Member from 1988 to 1994, as Vice Chairperson of the CDA from 1994 to 1995 and as Chairperson of the CDA from 1995 to 1997. His service on the CDA ended due to the "term limits" rule in effect at that time. During his time as a CDA Board Member, Mr. Grubb had the opportunity to review legal documents prepared for the CDA by Attorney Mitch Simon who served as legal counsel for the CDA for many years. As a result, Attorney Grubb has an "inside" understanding of the issues, concerns and needs of the CDA.

In addition, Attorney Grubb has represented the City of Whitewater on a number of specific matters on which City Attorneys Marty Harrison and Wally McDonell had a conflict or were otherwise unable to represent the City on the matter.

William F. Springer joined Brennan Steil in October 2012 and resides in Janesville, WI. Attorney Springer's law practice is concentrated in the areas of real estate, business transactions, banking, and landlord-tenant law. Prior to joining Brennan Steil, Mr. Springer practiced law in the Chicago area where he attended John Marshall Law School. Prior to entering law school, Attorney Springer worked in the Finance Department of Park Bank, a large community bank based in Madison, WI. Mr. Springer is a native of Linden, Wisconsin.

Additional information regarding Mr. Grubb and Mr. Springer from our firm's website is enclosed with this letter as Schedule A and Schedule B, respectively.

B. Current Municipal Government or Community Development Authority Clients

Neither Michael E. Grubb nor William F. Springer currently represents municipal governments or Community Development Authorities on any matters at this time.

C. Current Fee Schedule/ Fee Proposals

Per the direction in the Request for Proposals, information regarding our firm's fee schedule and hourly rates is submitted in a separate envelope labeled "CDA Legal Services Rates".

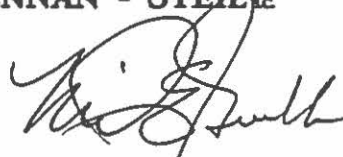
Dave Carlson, Executive Director
September 13, 2017
Page 3

We look forward to the opportunity to discuss this proposal further with the CDA and appreciate your consideration. If you have any questions or need further information, please contact me or Attorney Springer.

Sincerely,

BRENNAN ■ STEIL S.C.

By:



Michael E. Grubb

E-Mail: mgrubb@brennansteil.com

MEG/mlb

00916862 DOCX

MICHAEL E. GRUBB

BUSINESS LAW | ESTATES & TRUSTS | LITIGATION | REAL ESTATE

EMAIL: mgrubb@brennansteil.com



EDUCATION:

College of Idaho (B.A., summa cum laude, 1973)
University of Utah (J.D., 1976)

PROFESSIONAL:

Member, State Bar of Wisconsin

Member, State Bar of Utah

Certified Public Accountant

- State of Wisconsin (1981)

- State of Colorado (1979)

Admitted to Practice:

- State of Wisconsin (1981)

- U. S. District Court, Eastern and
Western Districts of Wisconsin (1981)

- State of Utah (1976)

Mike joined Brennan Steil S.C. in 1982. His law practice is concentrated in the areas of real estate, business transactions and estate planning.

In 1972, Mike graduated summa cum laude from Albertson College of Idaho with a major in accounting and a minor in economics, and in 1976, he received a juris doctorate from the University of Utah. After working for a CPA firm in Colorado for two years, Mike accepted a position as Assistant Professor of Business Law at the University of Wisconsin-Whitewater and served in that capacity until he joined the law firm.

Mike is a member of the State Bar of Wisconsin and Utah and is licensed as a CPA in Wisconsin and Colorado. Mike frequently participates in business, estate planning, economic and community development seminars, programs and activities.

SCHEDULE A

WILLIAM F. SPRINGER

BUSINESS LAW | LITIGATION | REAL ESTATE

EMAIL: wfspringer@brennansteil.com



EDUCATION:

University of Wisconsin – Madison (B.S., 2007)
The John Marshall Law School (J.D., 2011)

PROFESSIONAL:

Member, State Bar of Wisconsin
Member, Rock County Bar Association
- President (2016 – Present)
- Executive Committee Member (2015 – Present)
Member, Illinois State Bar Association
Member, American Bar Association
Admitted to Practice:
- State of Wisconsin (2012)
- State of Illinois (2011)
- United States District Court in the Eastern and
Western Districts of Wisconsin (2012)

Originally from rural southwest Wisconsin, Will grew up working on his family's third generation beef cattle farm. He is a professional who believes that trust and communication are essential to the attorney-client relationship. Will has broad experience with respect to matters involving business transactions, real estate, banking, and landlord-tenant law.

Will provides general representation to business entities with respect to their business affairs, including work in the areas of contracts, commercial transactions and loans. He assists corporate and individual clients regarding corporate formation, contract negotiation, employment issues and he drafts and reviews various types of contracts and sale agreements. Will's role as counselor is to assist his business clients in identifying and preventing problems and in resolving them before the need for litigation arises.

Will has significant experience in many areas of real estate including traditional sales and purchases, short sale transactions, and commercial and residential development. Will has also worked with individual and corporate creditors in complex commercial and consumer bankruptcy proceedings, debt collection, lien enforcement and foreclosure cases. Prior to going into law school, Will worked in the Finance Department of a large community bank based in Madison, WI.

Will handles both commercial and residential evictions and damage claims for his clients throughout Wisconsin and Illinois. He also assists clients with the drafting and interpretation of agricultural and commercial leases and residential rental agreements and other rental documents.

In his free time, Will loves to spend time with his family and working with the Janesville Youth Hockey Club, where he serves as Vice President and Board Member. Will resides in Janesville, WI with his wife, Katie, and their two sons.

SCHEDULE B

Whitewater Community Development Authority

Brennan Steil S.C. Fee Proposal and Related Information

The following proposal is offered for a period of three (3) years with either the Whitewater Community Development Authority (the "CDA") or Brennan Steil S.C. (the "Law Firm") having the ability to terminate upon sixty (60) days' notice to the other party. If this proposal is not accepted by the CDA by November 15, 2017, the Law Firm reserves the right to modify or withdraw the proposal.

The hourly billing rates for the attorneys with the Law Firm who will be primarily responsible for performing services on CDA matters are as follows:

Attorney Michael E. Grubb:	\$225.00 per hour, plus expenses
Attorney William F. Springer	\$200.00 per hour, plus expenses

Other attorneys and legal assistants of the Law Firm may also perform services on CDA matters if that attorney's or legal assistant's expertise is needed. The time of any such other attorney and/or legal assistant would be billed at his or her normal hourly rate. However, said rate for attorneys will not exceed \$225.00 per hour, plus expenses, and for legal assistants will not exceed \$85.00 per hour, plus expenses.

General Information:

Fees: The Law Firm takes into account many factors in billing for services rendered. All invoices and statements will be reviewed before they are issued to ensure that the amount charged is appropriate. The principal factor in billing is usually the Law Firm's schedule of hourly rates, and most statements for services are in substance the product of the hours worked multiplied by the hourly rates for the attorneys and legal assistants who did the work.

Hourly Rate Schedule: The Law Firm's schedule of hourly rates for attorneys and other members of the professional staff is based on years of experience, specialization in training and practice, and level of professional attainment.

Costs and Disbursements: Often it is necessary for the Law Firm to incur expenses for items such as long distance telephone calls, photocopying, facsimile charges, computerized legal research and staff overtime. To allocate the expenses fairly and keep billing rates as low as possible for those matters that do not involve such expenditures, these items are separately itemized in our billing statements as "Costs and Disbursements." Some "Costs and Disbursements" represent out-of-pocket costs, some represent an allocation of overhead costs associated with the items, and others represent a combination of both factors. The attached Schedule A lists the Law Firm's schedule of costs and disbursements that is currently in effect. The Law Firm's schedule of costs and disbursements may change from time to time. In some circumstances, particularly with regard to substantial items, the Law Firm may request that the CDA pay costs directly or fund them in advance.

Billings: As a matter of policy, the Law Firm generally bills monthly for all services performed and costs incurred in the previous month for every matter on which the Law Firm has worked. Time is billed by the one-tenth of an hour, which is the minimum time charged for any service. Since there are sometimes delays in the accrual of costs incurred, some costs may be included in a subsequent bill.

Disclosures: Certain disclosures pertaining to the organization of the Law Firm as a limited liability organization and the storage and destruction of files by the Law Firm are attached as Schedule B and incorporated into this proposal by reference.

If you have any questions regarding the content of this proposal or any other matter, please contact Attorney Grubb or Attorney Springer at the addresses noted below.

Contact information:

Brennan Steil S.C.
1 E. Milwaukee Street
Janesville, WI 53545

Main: 608-756-4141
Fax: 608-756-9000

Attorney Michael E. Grubb
mgrubb@brennansteil.com
Direct: 608-743-2930

Attorney William F. Springer
wspringer@brennansteil.com
Direct: 608-743-2905

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BRENNAN STEIL S.C.

COST DISCLOSURE

The Brennan Steil of Brennan Steil S.C. ("Brennan Steil") adheres to a strict policy of following ethical guidelines set forth by our officers and directors, the State Bar of Wisconsin and the American Bar Association. Following is a disclosure of the methods used by Brennan Steil to charge costs to our clients in connection with the performance of legal services.

Messenger Service	Cost
Postage	Cost
Research Database	Cost
Vehicle Record Searches and Drivers Record Abstracts	Cost charged by the Wisconsin Department of Transportation plus \$1.00 to cover overhead allocation factors
Telephone	Standard Direct Dial Rate
Facsimile	\$0.50 cents per page, which includes overhead allocation factors
Photocopy	\$0.20 cents per page, which includes overhead allocation factors
Mileage Reimbursement	IRS rate, which is adjusted annually.

If you have any questions regarding this disclosure, please call our office at (608) 756-4141 during normal business hours.

SCHEDULE A

LIMITED LIABILITY ORGANIZATION

Brennan Steil S.C. ("Brennan Steil") is organized as a Wisconsin service corporation. Under Wisconsin law and applicable Wisconsin Supreme Court Rules, attorneys organized as a service corporation may choose to practice law as a "limited liability organization." The attorneys in Brennan Steil have chosen to practice law as a limited liability organization. Wisconsin Supreme Court Rules require attorneys practicing as a limited liability organization to maintain professional liability insurance with minimum levels of coverage based upon the number of attorneys in the firm. Brennan Steil has professional liability coverage in excess of the minimum levels mandated by the applicable Wisconsin Supreme Court Rules.

Under Wisconsin law, a service corporation is liable for the omissions, negligence, wrongful acts, misconduct and malpractice (collectively "Professional Liability Claims") of a shareholder, director, officer or employee (collectively "Firm Member") who provides professional services on behalf of the service corporation. In addition, Wisconsin law provides that a Firm Member acting on behalf of a service corporation is liable for his or her own Professional Liability Claims and for the Professional Liability Claims of any person acting under his or her actual supervision and control in the specific activity in which the Professional Liability Claims occurred. However, a Brennan Steil Member acting on behalf of a service corporation is not personally liable for the Professional Liability Claims of other members of the service corporation who are not under said Firm Member's actual supervision and control and, further, no Firm Member is personally liable for the debts or other contractual obligations of the service corporation.

The above disclosures are made in accordance with the rules of the Wisconsin Supreme Court.

BRENNAN STEIL S.C.

STORAGE OF FILES

Due to space limitations, it is the policy of Brennan Steil S.C. ("Brennan Steil") that the hard copy of files being stored in the Brennan Steil storage areas be destroyed after a matter is concluded. If a client should desire to retain the hard copy of a file or any part of a file after a matter is concluded, it is the client's responsibility to make a specific written request for those documents upon conclusion of the matter prior to destruction of the file.

SCHEDULE B